



**HOUSING AUTHORITY  
of the County of Los Angeles**

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**Gloria Molina**  
**Yvonne Brathwaite Burke**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
*Commissioners*

**William K. Huang**  
*Acting Executive Director*

October 7, 2008

The Honorable Board of Commissioners  
Housing Authority of the  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Commissioners:

**APPROVE CONTRACT FOR A PHYSICAL NEEDS ASSESSMENT FOR  
HOUSING DEVELOPMENTS WITHIN LOS ANGELES COUNTY  
(ALL DISTRICTS) (3 VOTE)**

**SUBJECT**

Approval of this Contract will provide for a physical needs assessment of 56 Housing Authority properties to determine the useful life of all major building systems and the potential life-cycle replacement of all major building systems during a 20-year term.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that approval of a Contract for a physical needs assessment is not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the activities are not defined as a project under CEQA.
2. Approve and authorize the Acting Executive Director of the Housing Authority to execute a Contract in the amount of \$170,019 in Capital Funds Program (CFP) funds provided by the U.S. Department of Housing and Urban Development (HUD), with Clampett Industries, LLC d/b/a EMG (EMG), to be effective upon Board approval through November 30, 2009, to provide physical needs assessment services for 56 housing developments located throughout the County of Los Angeles that are owned or managed by the Housing Authority.
3. Authorize the Acting Executive Director to approve Contract change orders not exceeding \$42,504 for unforeseen project costs, using the same source of funds.

4. Authorize the Acting Executive Director to incorporate up to \$212,523 in CFP funds into the Housing Authority's approved Fiscal Year 2008-2009 budget, for the purposes described above.
5. Authorize the Acting Executive Director to execute amendments to the Contract for an annual ongoing database maintenance fee, following approval as to form by County Counsel, to extend the time of performance for a maximum of four years, in one-year increments, at the cost of \$7,500 per year, using funds to be approved through the annual budget process.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this action is to enter into a Contract to provide for a physical needs assessment of 56 properties located throughout the County that are owned or managed by the Housing Authority. HUD requires a physical needs assessment of the Housing Authority's properties. The assessment will determine the useful life of all major building systems and the potential life-cycle replacement of all major building systems during a 20-year term and will include dwelling structures, dwelling and non-dwelling equipment, management facilities, community activity spaces, open spaces and playgrounds.

This Contract will also provide a web-based database system that will store data collected and provide reports from the assessment.

#### **FISCAL IMPACT/FINANCING**

There is no impact on the County general fund. The aggregate amount for all five years of the Contract, if fully extended, will not exceed \$242,523.

For the first year of services under the Contract, the Housing Authority will use a maximum aggregate of \$170,019 in CFP funds allocated by HUD, to be included in the Housing Authority's approved Fiscal Year 2008-2009 budget. After the first year, the Housing Authority may extend the Contract for an additional four years, in one-year increments, contingent upon availability of funds. If extended, compensation for the second, third, fourth and fifth years of the Contract will not exceed a maximum aggregate amount of \$7,500 for each year, using funds to be approved through the annual budget process. The funding for the additional four years will cover the ongoing maintenance of the web-based database system, which includes hosting, access, trouble shooting and uploading of documents.

The \$42,504 to cover unforeseen project costs will also be funded with CFP funds allocated by HUD, to be included in the Housing Authority's approved Fiscal Year 2008-2009 budget.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

These services are being federally funded and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County. Instead, EMG will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

The Contract has been approved as to form by County Counsel and executed by EMG. On September 24, 2008, the Housing Commission recommended approval of the Contract award.

### **ENVIRONMENTAL DOCUMENTATION**

This action is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. The activity is not subject to the provisions of the CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378 because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

### **CONTRACTING PROCESS**

On July 17, 2008, the Housing Authority initiated an outreach to identify a contractor. Request for Proposal Notices were mailed to 535 architects and engineers identified from the Housing Authority's vendor list. Advertisements also appeared in nine local newspapers and on the Housing Authority's and the County's websites. Forty-one proposal packages were distributed.

On August 11, 2008, five proposals were received and subsequently evaluated using a 1000 point system. The proposal submitted by EMG received the highest score and is being recommended for the Contract award.

The Honorable Board of Commissioners  
October 7, 2008  
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The Summary of Outreach Activities is provided as Attachment A.

**IMPACT ON CURRENT SERVICES**

This Contract will allow the Housing Authority to ensure the long-term physical viability of its properties and to continue providing a safe living environment for residents.

Respectfully submitted,



*for*  
WILLIAM K. HUANG  
Acting Executive Director

Attachments (2)

c: County Counsel

## **ATTACHMENT A**

### Summary of Outreach Activities

#### Physical Needs Assessment Consulting Services Contract for Fifty-Six Housing Developments

On July 17, 2008, the following outreach was initiated to identify a proposer to provide, physical needs assessment consulting services for at 56 Housing Authority housing developments located throughout Los Angeles County.

##### A. Newspaper Advertising

Announcements appeared in the following nine local newspapers:

|                            |                      |
|----------------------------|----------------------|
| La Opinion                 | Los Angeles Sentinel |
| Eastern Group Publications | Los Angeles Times    |
| International Daily News   | The Daily News       |
| Long Beach Press Telegram  | Agua Dulce News      |
| WAVE Community Newspapers  |                      |

An announcement was also posted on the Housing Authority's and the County's websites.

##### B. Distribution of Proposal Packets

The Housing Authority's vendor list was used to mail out Requests for Proposal Notices to 535 contractors, of which 300 identified themselves as businesses owned by minorities or women (private firms which are 51 percent owned by minorities or women, or publicly-owned businesses in which 51 percent of the stock is owned by minorities or women). As a result of the outreach, 41 proposal packages were distributed.

##### C. Pre-Proposal Conference and Site Walk

There was not a Pre-Proposal Conference. All questions were answered by Addendum No. 1 to the proposal package which was distributed to all 41 Proposers.

##### D. Proposal Results

On August 11, 2008, a total of five proposals were received and then evaluated using a 1000 point system. The evaluation scores are as follows:

| <u>Company</u>       | <u>Total Points</u> |
|----------------------|---------------------|
| IDS Group. Inc.      | 488                 |
| Ken Kurose Architect | 555                 |
| CNA Specialists      | 668                 |
| The Nelrod Company   | 745                 |
| EMG                  | 780                 |

E. Minority/Female Participation – Firm Selected

| <u>Name</u>                            | <u>Ownership</u> | <u>Employees</u>   |
|--|------------------|--|
| Clampett Industries, LLC<br>d/b/a/ EMG | Non-Minority     | Total: 200<br>16 minorities<br>10 women<br>8% minorities<br>5% women |

F. Minority/Female Participation – Firms Not Selected

| <u>Name</u>          | <u>Ownership</u> | <u>Employees</u>   |
|----------------------|------------------|--|
| The Nelrod Company   | Minority         | Total: 41<br>6 minorities<br>15 women<br>15% minorities<br>37% women |
| Ken Kurose Architect | Minority         | Total: 3<br>2 minorities<br>1 women<br>67% minorities<br>33% women   |
| CNA Specialists.     | Non-Minority     | Total: 1<br>0 minorities<br>0 women<br>0% minorities<br>0% women     |
| IDS Group Inc.       | Non-Minority     | Total: 51<br>21 minorities<br>1 women<br>10% minorities<br>2% women  |

The Housing Authority conducts ongoing outreach to include minorities and women in the contract award process, including: providing information at local and national conferences; conducting seminars for minorities and women regarding programs and services; advertising in newspapers to invite placement on the vendor list; and mailing information to associations representing minorities and women. The above information has been voluntarily provided to the Housing Authority.

The recommended award of the contract is being made in accordance with the Housing Authority's policies and federal regulations, and without regard to race, creed, color, or gender.

## ATTACHMENT B

### Contract Summary

**Project Name:** PHYSICAL NEEDS ASSESSEMENT CONSULTING SERVICES  
**Location:** 56 HOUSING DEVELOPMENTS WITHIN LOS ANGELES COUNTY  
**Number:** CDC08-354  
**Contract Start Date:** October 7, 2008  
**Consultant:** Clampett Industries, LLC d/b/a EMG  
**Purpose:** The Consultant shall conduct a physical needs assessment of 56 Housing Authority properties to determine the useful life of all major building systems and the potential life-cycle replacement of all major building systems during a 20-year term. The Consultant shall submit a report for each of the 56 sites.

Additionally, the Consultant will also provide the Housing Authority with access to the Consultant's AssetCALC Asset Management Database program so that the Housing Authority can maintain current asset profiles for each site.

**Scope of Work:** See Attached Scope of Work

**Term:** Upon execution, the Contract shall remain in full force until November 30, 2009 unless sooner terminated or extended in writing.

**Option to Renew:** The Housing Authority has the option to renew the Contract for four (4) additional one year terms, unless sooner terminated or extended in writing.

**Performance Review:** A performance review shall be conducted no later than 90 days prior to the end of the Contract. Based on the assessment of the performance review, written notification will be given to the Contractor whether the agreement will be terminated at the end of the current year or will be continued into the next contract year.

**Compensation:** The Contractor shall be paid as full compensation for the work required, performed, and accepted, exclusive of all costs and expenses which will be deducted from the contract contingency amount, the maximum, not-to-exceed price of \$170,019 for the first year and \$30,000.00 (\$7,500 per year) for years two, three, four and five if fully extended.

**Contract Contingency:** \$42,504.00



**CONSULTING CONTRACT  
FOR  
PHYSICAL NEEDS ASSESSMENT**

This Contract is made and entered into this 7th day of October, 2008, by and between the Housing Authority of the County of Los Angeles, hereinafter referred to as "Housing Authority", and Clampett Industries, LLC d/b/a EMG, hereinafter referred to as "Contractor."

**RECITAL**

**1. PURPOSE**

The Contractor is in the business of providing needed Physical Needs Assessment Consulting Services. On August 11, 2008 in response to the Housing Authority's Request for Proposals, Contractor submitted a proposal to furnish the hereinafter-described physical needs assessment services to the Housing Authority.

**TERMS AND CONDITIONS**

**2. TERM**

This Contract shall commence on October 7, 2008 and shall remain in full force and effect through November 30, 2009 unless sooner terminated as provided herein. This Contract may be extended in one-year increments, for a total of four (4) additional years at the sole discretion of the Housing Authority.

**3. CONTRACTOR'S RESPONSIBILITIES**

The Contractor agrees to perform in a good workmanlike manner, to the satisfaction of the Housing Authority's Acting Executive Director, all the work described in the attached Statement of Work, Attachment A.

**4. COMPENSATION**

The Contractor shall submit to the Housing Authority approved invoices for services rendered, as described in Attachment A, Statement of Work. Upon receipt and approval, the Housing Authority will pay the Contractor within thirty (30) days of receipt and approval of the invoice in accordance with Attachment B, Fee Schedule. The total amount of compensation for the first year under this Contract shall not exceed One Hundred Seventy Thousand and Nineteen Dollars (\$170,019.)

The Contractor shall be paid in accordance with the Housing Authority's standard accounts payable system.

The Contractor shall have no claim against the Housing Authority for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the

Contractor after the expiration or other termination of this Contract. Should the Contractor receive any such payment, it shall immediately notify the Housing Authority and shall immediately repay all such funds to the Housing Authority. Payment by the Housing Authority for services rendered after expiration or termination of this Contract shall not constitute a waiver of the Housing Authority's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

## **5. SOURCE AND APPROPRIATION OF FUNDS**

The Housing Authority's obligation is payable only and solely from funds appropriated through the U.S. Department of Housing and Urban Development (HUD) and, for the purpose of this Contract. All funds are appropriated every fiscal year beginning July 1.

In the event this Contract extends into succeeding fiscal years and funds have not been appropriated, this Contract will automatically terminate as of June 30 of the current fiscal year. The Housing Authority will endeavor to notify the Contractor in writing within ten (10) days of receipt of non-appropriation notice.

## **6. TERMINATION FOR IMPROPER CONSIDERATION**

The Housing Authority may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract, if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County office, employee or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the Housing Authority shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

The Contractor shall immediately report any attempt by a Housing Authority officer or employee to solicit such improper consideration. The report shall be made either to the Housing Authority's Acting Executive Director or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

## **7. ASSIGNMENT BY CONTRACTOR**

The Contractor shall not assign its rights or delegate its duties under the Contract, or both, whether in whole or in part, without the prior written consent of the Housing Authority, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, Housing Authority consent shall require a written amendment to the Contract, which is formally

approved and executed by the parties. Any payments by the Housing Authority to any approved delegate or assignee on any claim under the Contract shall be deductible, at the Housing Authority's sole discretion, against the claims, which the Contractor may have against the Housing Authority. However, the Housing Authority reserves the right to assign this Contract to another public agency without the consent of the Contractor.

Shareholders, partners, members, or other equity holders of the Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is affected in such a way as to give majority control of the Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of the Housing Authority in accordance with applicable provisions of this Contract.

Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without the Housing Authority's express prior written approval, shall be a material breach of the Contract which may result in the termination of the Contract. In the event of such termination, the Housing Authority shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

## **8. CONFIDENTIALITY OF REPORTS**

The Contractor shall keep confidential all reports, information and data received, prepared or assembled pursuant to performance hereunder. Such information shall not be made available to any person, firm, corporation or entity without the prior written consent of the Housing Authority.

## **9. SUBCONTRACTING**

The Contractor may subcontract only those specific portions of work allowed in the original specifications covered by this Contract with prior written approval by the Housing Authority.

The Contractor shall not subcontract any part of the work covered by this Contract or permit subcontracted work to be further subcontracted without prior written approval by the Housing Authority.

## 10. INSURANCE

Without limiting Contractor's indemnifications of the Community Development Commission of the County of Los Angeles ("Commission") provided in this Contract, Contractor shall procure and maintain, at Contractor's sole expense for the duration of this Contract, the insurance policies described herein. Such insurance shall be secured from carriers admitted in California, or authorized to do business in California. Such carriers shall be in good standing with the California Secretary of State's Office and the California Department of Insurance. Such carriers must be approved by the California Department of Insurance and must be included on the California Department of Insurance List of Eligible Surplus Line Insurers (hereinafter "LESLI"). Such carriers must have a minimum rating of or equivalent to A:VIII in Best's Insurance Guide. Contractor shall, concurrent with the execution of this Contract, deliver to the Commission certificates of insurance with original endorsements evidencing the insurance coverage required by this Contract. If original endorsements are not immediately available, such endorsements may be delivered subsequent to the execution of this Contract, but no later than thirty (30) days following execution of this Contract. The certificates and endorsements shall be signed by a person authorized by the insurers to bind coverage on its behalf. The Commission reserves the right to require complete certified copies of all policies at any time. Said insurance shall be in a form acceptable to the Commission and may provide for such deductibles as may be acceptable to the Commission. Any self-insurance program and self-insured retention must be separately approved by the Commission. In the event such insurance does provide for deductibles or self-insurance, Contractor agrees that it will defend, indemnify and hold harmless the Commission, its elected and appointed officers, officials, representatives, employees, and agents in the same manner as they would have been defended, indemnified and held harmless if full coverage under any applicable policy had been in effect. Each such certificate shall stipulate that the Commission be given at least thirty (30) days' written notice in advance of any cancellation or any reduction in limit(s) for any policy of insurance required herein. Contractor shall give the Commission immediate notice of any insurance claim or loss which may be covered by insurance. Contractor represents and warrants that the insurance coverage required herein will also be provided by any entities with which Contractor contracts, as detailed below. All certificates of insurance and additional insured endorsements shall carry the following identifier: Physical Needs Assessment for 56 Housing Developments.

The insurance policies set forth herein shall be primary insurance with respect to the Commission. The insurance policies shall contain a waiver of subrogation for the benefit of the Commission. Failure on the part of Contractor, and/or any entities with which Contractor contracts, to procure or maintain the insurance coverage required herein may, upon the Commission's sole discretion, constitute a material breach of this Contract pursuant to which the Commission may immediately terminate this Contract and exercise all other rights and remedies set forth herein, at its sole and absolute discretion, and without waiving such default or limiting the rights or

remedies of the Commission, procure or renew such insurance and pay any and all premiums in connection therewith and all monies so paid by the Commission shall be immediately repaid by the Contractor to the Commission upon demand including interest thereon at the default rate. In the event of such a breach, the Commission shall have the right, at its sole election, to participate in and control any insurance claim, adjustment, or dispute with the insurance carrier. Contractor's failure to assert or delay in asserting any claim shall not diminish or impair the Commission's rights against the Contractor or the insurance carrier.

When Contractor is naming the Commission as an additional insured on any of the insurance policies set forth herein, then the additional insured endorsement shall contain language similar to the language contained in ISO form CG 20 10 10 01. When any entity with which Contractor is contracting, is naming the Commission as an additional insured on any of the insurance policies set forth herein, then the additional insured endorsement shall contain language similar to the language contained in ISO form CG 20 10 11 85.

The following insurance policies shall be maintained by Contractor and any entity with which Contractor contracts for the duration of this Contract, unless otherwise set forth herein:

- A. GENERAL LIABILITY INSURANCE (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

|   |             |
|---|-------------|
| General Aggregate                       | \$2,000,000 |
| Products/Completed Operations Aggregate | \$1,000,000 |
| Personal and Advertising Injury         | \$1,000,000 |
| Each Occurrence                         | \$1,000,000 |

The Housing Authority of the County of Los Angeles ("Housing Authority"), the Community Development Commission of the County of Los Angeles, the County of Los Angeles ("County"), and their officials and employees, shall be covered as insureds with respect to: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, leased or used by the Contractor.

The Community Development Commission of the County of Los Angeles, the Housing Authority, the County, and each of their elected and appointed officers, officials, representatives, employees, and agent shall be named as additional insureds on such policy.

- B. AUTOMOBILE LIABILITY INSURANCE (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than \$1 million for each incident. Such insurance shall include coverage of all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

- C. WORKERS' COMPENSATION and EMPLOYER'S LIABILITY insurance providing worker's compensation benefits, as required by the Labor Code of the State of California.

In all cases, the above insurance also shall include Employer's Liability coverage with limits of not less than the following:

|                       |             |
|-----------------------|-------------|
| Each Accident         | \$1,000,000 |
| Disease-policy limit  | \$1,000,000 |
| Disease-each employee | \$1,000,000 |

- D. PROFESSIONAL LIABILITY INSURANCE, including coverage for personal injury, death, property damage, and contractual liability in an amount not less than One Million Dollars (\$1,000,000) for each occurrence (Two Million Dollars (\$2,000,000) general aggregate). Said insurance shall be maintained for the statutory period during which the professional maybe exposed to liability. If Contractor is not providing professional services, then it is the responsibility of Contractor to obtain separate written approval from Commission to eliminate this professional liability insurance requirement. Contractor shall require that the aforementioned professional liability insurance coverage language be incorporated into its contract with any other entity with which it contracts for professional services.

Contractor agrees that it will require all of the above mentioned insurance requirements be incorporated in its contract with any entity with which it contracts in relation to this Contract or in relation to the property or project that is the subject of this Contract.

## **11. INDEMNIFICATION**

The Contractor shall indemnify, defend and hold harmless the Commission, Housing Authority, County, and each of their elected and appointed officers, officials, representatives, employees, and agents from and against any and all liability, demands, damages, claims, causes of action, expenses, and fees (including reasonable attorney's fees and costs and expert witness fees), including, but not limited to, claims for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), that arise out of, pertain to, or relate to Contractor's acts, errors, or omissions arising from, pertaining to, or relating to this Contract. This indemnification provision shall remain in full force and effect and survive the termination and/or expiration of this Contract. Contractor agrees to require any and all entities with which it contracts to agree to and abide by the above mentioned indemnification requirements in favor of the Commission, Housing Authority, and County, as applicable to each of them.

## **12. HOUSING AUTHORITY'S QUALITY ASSURANCE PLAN**

The Housing Authority will evaluate Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all contract terms and performance standards. Contractor deficiencies, which Housing Authority determines are severe or continuing and that may place performance of the Contract in jeopardy, if not corrected, will be reported to the Board of Commissioners. The report will include improvement/corrective action measures taken by the Housing Authority and Contractor. If improvement does not occur consistent with the corrective measure, the Housing Authority may terminate this Contract, pursuant to Paragraph 13 or 14, or impose other remedies as specified in this Contract.

A performance review will be conducted no later than ninety (90) days prior to the end of the first and second years of this Contract to evaluate the performance of the Contractor. Based on the assessment of the performance review, as determined by the Commission in its sole discretion, written notification will be given to the Contractor whether this Contract will be terminated at the end of the current year or will be continued into the next contract year.

## **13. TERMINATION FOR CONVENIENCE**

The Housing Authority reserves the right to cancel this Contract for any reason at all upon thirty (30) days prior written notice to Contractor. In the event of such termination, Contractor shall be entitled to a prorated portion paid for all satisfactory work unless such termination is made for cause, in which event, compensation if any, shall be adjusted in such termination.

## **14. TERMINATION FOR CAUSE**

This Contract may be terminated by the Housing Authority upon written notice to the Contractor for just cause (failure to perform satisfactorily) with no penalties incurred by the Housing Authority upon termination or upon the occurrence of any of the following events in A, B, C or D:

- A. Should the Contractor fail to perform all or any portion of the work required to be performed hereunder in a timely and good workmanlike manner or properly carry out the provisions of this Contract in their true intent and meaning, then in such case, notice thereof in writing will be served upon the Contractor, and should the Contractor neglect or refuse to provide a means for satisfactory compliance with this Contract and with the direction of the Housing Authority within the time specified in such notice, the Housing Authority shall have the power to suspend or terminate the operations of the Contractor in whole or in part.
- B. Should the Contractor fail within five (5) days to perform in a satisfactory manner, in accordance with the provisions of this Contract, or if the work to be done under this

Contract is abandoned for more than three days by the Contractor, then notice of deficiency thereof in writing will be served upon Contractor by the Housing Authority. Should the Contractor fail to comply with the terms of this Contract within five (5) days, upon receipt of said written notice of deficiency, the Acting Executive Director of Housing Authority shall have the power to suspend or terminate the operations of the Contractor in whole or in part.

- C. In the event that a petition of bankruptcy shall be filed by or against the Contractor.
- D. If, through any cause, the Contractor shall fail to fulfill, in a timely and proper manner, the obligations under this Contract, or if the Contractor shall violate any of the covenants, Contracts, or stipulations of this Contract, the Housing Authority shall thereupon have the right to terminate this Contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Contractor under this Contract shall, at the option of the Housing Authority become its property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed.

**15. CONTRACTOR'S WARRANTY OF ADHERENCE TO HOUSING AUTHORITY'S CHILD SUPPORT COMPLIANCE PROGRAM**

The Contractor acknowledges that the Housing Authority has established a goal of ensuring that all individuals who benefit financially from the Housing Authority through a contract, are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles.

As required by Housing Authority Child Support Compliance Program and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall, during the term of this Contract, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or CSSD Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

**16. CONTRACTOR'S WARRANTY OF ADHERENCE TO HOUSING AUTHORITY'S CHILD SUPPORT COMPLIANCE PROGRAM**

The Contractor acknowledges that the Housing Authority has established a goal of ensuring that all individuals who benefit financially from the Housing Authority



through a contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the taxpayers of the County of Los Angeles.

As required by the Housing Authority Child Support Compliance Program and without limiting Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall, during the term of this Contract, maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or CSSD Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family code Section 5246(b).

**17. TERMINATION FOR BREACH OF WARRANTY TO COMPLY WITH HOUSING AUTHORITY'S CHILD SUPPORT COMPLIANCE PROGRAM**

Failure of the Contractor to maintain compliance with the requirements set forth in Paragraph 16, "CONTRACTOR'S WARRANTY OF ADHEREENCE TO HOUSING AUTHORITY'S CHILD SUPPOORT COMPLIANCE PROGRAM" shall constitute default under this contract. Without limiting the rights and remedies available to Housing Authority under any other provision of this contract, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which Housing Authority may terminate this Contract pursuant to paragraph 15 "TERMINATION FOR CAUSE" and pursue debarment of Contractor, pursuant to Housing Authority Policy.

**18. POST MOST WANTED DELINQUENT PARENTS LIST**

The Contractor acknowledges that the County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. The Contractor understands that it is County's and Housing Authority's policy to strongly encourage all Contractors to voluntarily post an entitled "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. The Child Support Services Department (CSSD) will supply Contractor with the poster to be used.

**19. INDEPENDENT CONTRACTOR**

This Contract does not, is not intended to, nor shall it be construed to create the relationship of agent, employee or joint venture between the Housing Authority and the Contractor.

## **20. EMPLOYEES OF CONTRACTOR**

*Workers' Compensation:* The Contractor understands and agrees that all persons furnishing services to the Housing Authority pursuant to this Contract are, for the purposes of Workers' Compensation liability, employees solely of the Contractor. Contractor shall bear sole responsibility and liability for providing Workers' Compensation benefits to any person for injuries arising from an accident connected with services provided to the Housing Authority under this Contract.

*Professional Conduct:* The Housing Authority does not and will not condone any acts, gestures, comments or conduct from the Contractor's employees, agents or subcontractors which may be construed as sexual harassment or any other type of activities or behavior that might be construed as harassment. The Housing Authority will properly investigate all charges of harassment by residents, employees or agents of the Housing Authority against any and all Contractor's employees, agents or subcontractors providing services for the Housing Authority. The Contractor assumes all liability for the actions of the Contractor's employees, agents or subcontractors and is responsible for taking appropriate action after reports of harassment are received by the Contractor.

## **21. DRUG-FREE WORKPLACE ACT OF THE STATE OF CALIFORNIA**

The Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990.

## **22. SAFETY STANDARDS AND ACCIDENT PREVENTION**

The Contractor shall comply with all applicable federal, state and local laws governing safety, health and sanitation. The Contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions, as its own responsibility, reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of this Contract.

## **23. COMPLIANCE WITH LAWS**

The Contractor agrees to be bound by all applicable federal, state and local laws, regulations, and directives as they pertain to the performance of this Contract, including but not limited to, the Housing and Community Development Act of 1974, as amended by the Cranston-Gonzalez National Affordable Housing Act, 1990, and the 24 CFR Part 85, and the Americans with Disabilities Act of 1990. If the compensation under this Contract is in excess of \$100,000 then Contractor shall comply with applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 18579h), section 508 of the Clean Water Act (33 U.S.C. 1368),

Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 15).

The Contractor must obtain and present all relevant state and local insurance, training and licensing pursuant to services required within this Contract.

The Contractor shall comply with the following laws in Sections 23-32, inclusive, and 41-43, inclusive.

**24. CIVIL RIGHTS ACT OF 1964, TITLE VI (NON-DISCRIMINATION IN FEDERALLY-ASSISTED PROGRAMS)**

The Contractor shall comply with the Civil Rights Act of 1964 Title VI which provides that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

**25. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974**

The Contractor shall comply with Section 109 of the Housing and Community Development Act of 1974 which states that no person in the United States shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

**26. AGE DISCRIMINATION ACT OF 1975 AND SECTION 504 OF THE REHABILITATION ACT OF 1973**

The Contractor shall comply with the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, which require that no person in the United States shall be excluded from participating in, denied the benefits of, or subject to discrimination under this Contract on the basis of age or with respect to an otherwise qualified disabled individual.

**27. EXECUTIVE ORDER 11246 AND 11375, EQUAL OPPORTUNITY IN EMPLOYMENT (NON-DISCRIMINATION IN EMPLOYMENT BY GOVERNMENT CONTRACTORS AND SUBCONTRACTORS)**

The Contractor shall comply with Executive Order 11246 and 11375, Equal Opportunity in Employment, which requires that during the performance of this Contract, the Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following:

employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the non-discrimination clause.

The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Contractor will send to each labor union or representative of workers with which he has a collective bargaining Contract or other contract or understanding, a notice to be provided by the agency of the Contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by the Executive Order and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Housing Authority and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of Contractor's noncompliance with the non-discrimination clauses of this Contract or with any of such rules, regulations or orders, this Contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in the Executive Orders and such other sanctions may be imposed and remedies invoked as provided in the Executive Order or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

The Contractor will include the provisions of these paragraphs in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of the Executive Order No. 11246 of September 24, 1965, that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such actions with respect to any subcontract or purchase order as the Housing Authority may direct as a means of enforcing such provisions including sanctions for noncompliance, provided however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by the Housing Authority, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

**28. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968, AS AMENDED**

- A.** The work to be performed under this Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B.** The parties to this Contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this Contract, the parties to this Contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- C.** The Contractor agrees to send to each labor organization or representative of workers with which the Contractor has a collective bargaining Contract or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D.** The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- E.** The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the Contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR Part 135.
- F.** Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

## **29. FEDERAL LOBBYIST REQUIREMENTS**

The Contractor is prohibited by the Department of Interior and Related Agencies Appropriations Act, known as the Byrd Amendments, and HUD's 24 CFR Part 87, from using federally appropriated funds for the purpose of influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, loan or cooperative Contract, and any extension, continuation, renewal, amendment or modification of said documents.

The Contractor must certify in writing on the Federal Lobbyist Requirements Certification form that they are familiar with the Federal Lobbyist Requirements and that all persons and/or subcontractors acting on behalf of the Contractor will comply with the Lobbyist Requirements.

Failure on the part of the Contractor or persons/subcontractors acting on behalf of the Contractor to fully comply with the Federal Lobbyist Requirements may be subject to civil penalties.

## **30. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

The Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

## **31. USE OF RECYCLED-CONTENT PAPER PRODUCTS**

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on the Project.

### **32. CONTRACTOR RESPONSIBILITY AND DEBARMENT**

- A. A responsible contractor is a contractor, consultant, vendor or operating agency who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the policy of the Housing Authority, Commission, and County to conduct business only with responsible contractors.
- B. The Contractor is hereby notified that if the Housing Authority acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the Housing Authority may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on Housing Authority contracts for a specified period of time, which generally will not to exceed five years but may exceed five years or be permanent if warranted by circumstances, and terminate any or all existing contracts the Contractor may have with the Housing Authority.
- C. The Housing Authority may debar a contractor, consultant, vendor or operating agency if the Board of Commissioners finds, in its discretion, that the contractor has done any of the following: (1) violated any term of a contract with the Housing Authority, Commission, or County or a nonprofit corporation created by the Housing Authority, Commission, or County, (2) committed an act or omission which negatively reflects on the its quality, fitness or capacity to perform a contract with the Housing Authority, Commission, or County, any other public entity, a nonprofit corporation created by the Housing Authority, Commission, or County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the Housing Authority, Commission, County, or any other public entity.
- D. If there is evidence that the Contractor may be subject to debarment, the Housing Authority will notify the Contractor in writing of the evidence, which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Housing Authority shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Commissioners.

- F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contract Hearing Board shall be presented to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.
- G. If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The Housing Authority may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the Housing Authority.
- H. The Contractor Hearing Board will consider a request for review of the debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the ground for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment Hearing.

The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Commissioners. The Board of Commissioners shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

- I. These terms shall also apply to subcontractors and sub-consultants of County, Housing Authority, or Commission contractors, consultants, vendors and agencies.

### **33. COMPLIANCE WITH JURY SERVICE PROGRAM**

- A. Unless the Contractor has demonstrated to the Housing Authority satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program or that Contractor qualifies for an exception to the Jury Service



Program, Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

- B. For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall be inserted into any such subcontract Contract and a copy of the Jury Service Program shall be attached to the Contract.
- C. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.
- D. The Contractor's violation of this Section of the contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

**34. ACCESS AND RETENTION OF RECORDS**

The Contractor shall provide access to the Housing Authority, the Federal Grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers and records of the Contractor which are directly pertinent to this Contract for the purpose of making audits, examinations, excerpts and transcriptions.

The Contractor is required to retain the aforementioned records for a period of five years after the Housing Authority pays final payment and other pending matters are closed under this Contract.

**35. CONFLICT OF INTEREST**

The Contractor represents, warrants and agrees that to the best of its knowledge, it does not presently have, nor will it acquire during the term of this Contract, any interest direct or indirect, by contract, employment or otherwise, or as a partner, joint venture or shareholder (other than as a shareholder holding a one (1%) percent or less interest in publicly traded companies) or affiliate with any business or business entity that has entered into any contract, subcontract or arrangement with the Housing Authority. Upon execution of this Contract and during its term, as appropriate, the Contractor shall, disclose in writing to the Housing Authority any other contract or employment during the term of this Contract by any other persons, business or corporation in which employment will or may likely develop a conflict of interest between the Housing Authority's interest and the interests of the third parties.

**36. SEVERABILITY**

In the event that any provision herein is held to be invalid, void, or illegal by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect, impair or invalidate any other provision contained herein. If any such provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

**37. INTERPRETATION**

No provision of this Contract is to be interpreted for or against either party because that party or that party's legal representative drafted such provision, but this Contract is to be construed as if drafted by both parties hereto.

**38. WAIVER**

No breach of any provision hereof can be waived unless in writing. Waiver of any one breach of any provision shall not be deemed to be a waiver of any breach of the same or any other provision hereof.

**39. PATENT RIGHTS**

The Housing Authority will hold all the patent rights with respect to any discovery or invention, which arises or is developed in the course of, or under this Contract.

**40. COPYRIGHT**

No report, maps, or other documents produced in whole or in part under this Contract shall be the subject of an application for copyright by or on behalf of the Contractor. All such documents become the property of the Housing Authority and the Housing Authority holds all the rights to said data.

**41. NOTICES**

The Housing Authority shall provide the Contractor with notice of any injury or damage arising from or connected with services rendered pursuant to this Contract to the extent that Housing Authority has actual knowledge of such injury or damage. Housing Authority shall provide such notice within ten (10) days of receiving actual knowledge of such injury or damage.

Notices provided for in this Contract shall be in writing and shall be addressed to the person intended to receive the same, at the following address:

The Housing Authority: Housing Management Division  
2 Coral Circle  
Monterey Park, CA 91755  
Attn: Maria Badrakhan  
Director

The Contractor: Clampett Industries, LLC d/b/a EMG  
11011 McCormick Road  
Hunt Valley, MD 21030  
Attn: Matthew S. Munter, P.E.  
Senior Vice President

Notices addressed as above provided shall be deemed delivered three (3) business days after mailed by U.S. Mail or when delivered in person with written acknowledgement of the receipt thereof. The Contractor and the Housing Authority may designate a different address or addresses for notices to be sent by giving written notice of such change of address to all other parties entitled to receive notice.

**42. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in *Attachment D – Required Contract Notices* of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

**43. CONTRACTOR'S ACKNOWLEDGMENT OF HOUSING AUTHORITY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

The Contractor acknowledges that the Housing Authority places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the Housing Authority's policy to encourage all Housing Authority Contractors to voluntarily post the Housing Authority's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The Department of Children and Family Services of the County of Los Angeles will supply the Contractor with the poster to be used.

**44. CONTRACTOR'S CHARITABLE CONTRIBUTIONS COMPLIANCE**

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the Charitable Contributions Certification as included in *Attachment C – Required Contract Forms*, the Housing Authority seeks to ensure that all Housing Authority contractors that receive or raise charitable contributions comply with California law in order to protect the Housing Authority and its taxpayers. A Contractor that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings, or both.

**45. ENTIRE CONTRACT**

This Contract with Attachments A through D constitutes the entire understanding and Contract of the parties. This Contract includes the following attachments:

- A. Statement of Work
- B. Fee Schedule
- C. Required Contract Forms
- D. Required Contract Notices

**SIGNATURES**

IN WITNESS WHEREOF, the Housing Authority and the Contractor, through their duly authorized officers, have executed this Contract as of the date first above written.

HOUSING AUTHORITY  
OF THE COUNTY OF LOS ANGELES

CLAMPETT INDUSTRIES, LLC d/b/a EMG

By \_\_\_\_\_  
William K. Huang  
Acting Executive Director

By \_\_\_\_\_  
Matthew S. Munter, P.E.  
Senior Vice President

APPROVED AS TO FORM:  
Raymond G. Fortner, Jr.  
County Counsel

APPROVED AS TO PROGRAM:  
HOUSING MANAGEMENT DIVISION

By \_\_\_\_\_  
Behnaz Yashakorian  
Deputy

By \_\_\_\_\_  
Maria Badrakhhan  
Director

# **ATTACHMENT A**

## **STATEMENT OF WORK**

**STATEMENT OF WORK  
TO CONDUCT A PHYSICAL NEEDS ASSESSMENT FOR THE HOUSING  
AUTHORITY OF THE COUNTY OF LOS ANGELES**

**INTRODUCTION**

The Housing Authority of the County of Los Angeles (HACoLA), pursuant to the procurement regulations of 24 CFR 85.36 is contracting with EMG to conduct a physical needs assessment of its entire public housing portfolio (dwelling structures, dwelling and non-dwelling equipment, management facilities, community activity spaces, open spaces and playgrounds) to include the determination of the expected useful life of all major building systems and the potential life-cycle replacement of all major building systems during a 20-year term.

HACoLA owns and maintains 3,040 conventional public housing units in family and elderly housing developments. The housing units are located in the un-incorporated areas of Los Angeles County, and the Cities of Long Beach, West Hollywood, Lomita, and Santa Clarita. The attached sheets, along with site plans, contain the names and addresses of the housing developments, in Attachment A.

**SCOPE OF WORK**

Within the physical needs assessment EMG shall include a schedule for the replacement of all current serviceable property components, including structural components (such as roofing), equipment (such as furnaces, boilers, and water heaters), appliances (such as; ranges and refrigerators), and materials (such as; sidewalks and parking lots).

EMG shall include in the physical needs assessment any physical improvement needs for housing authority-wide non-dwelling structures and equipment, as well as any replacements/rehabilitations of non-dwelling structures and equipment that will be needed (such as; computers, computer software, maintenance equipment, office furniture, community space equipment and furniture).

EMG must complete the physical needs assessment in accordance with Paragraph 4-7, PHYSICAL NEEDS ASSESSMENT, and Paragraph 4-8, LONG-TERM VIABILITY AND REASONABLE COST ANALYSIS, Comprehensive Grant Program Guidebook 7485.3 G, dated 10/1996. A sample form HUD-52832, Physical Needs Assessment, with instructions is contained in Attachment B.

HACoLA will utilize the work items identified, and costs, in the preparation of its Capital Fund Program Annual Statements and 5-Year Action Plan. The Capital Fund Program provides funds, annually through the award of formula grants to Public Housing

Authorities (PHAs) to carry out capital and management activities to ensure the long-term physical and social viability of its public housing developments.

## **1.0 Overview Major Physical Needs Assessment Tasks To Be Performed:**

- 1.01 EMG shall furnish sufficient organization and personnel with the necessary skills and judgment to perform a physical needs assessment for each property in HACoLA's public housing inventory identified in Attachment A.
- 1.02 EMG shall provide a general description of all physical improvements HACoLA would need to undertake to bring buildings, dwelling units, non-dwelling facilities, and related dwelling and non-dwelling equipment of each property to a level that:
  - Will ensure long-term physical and social viability;
  - Will provide safe, decent, and sanitary living conditions for the residents.
- 1.03 EMG shall conduct the assessment in a manner consistent with the standards outlined in 24 CFR 968.315, the Comprehensive Grant Program Guidebook 7485.3 G, the Public Housing Modernization Standards Handbook 7485.2, and 24 CFR, Part 5, Uniform Physical Condition Standards (the physical condition standards for public housing).
- 1.04 EMG will perform a general physical needs survey of each property, listing major work categories, and provide detailed information regarding:
  - 1.04.1 The overall condition of the property.
  - 1.04.2 An identification of the property's:
    - A. Immediate critical and non-critical repair needs; and
    - B. Expected repair, replacement, and major maintenance needs over a 20 year time period.
  - 1.04.3 The total estimated cost, in current dollars, to complete such items.
- 1.05 Evaluate existing and prior physical needs assessments, energy audits, capital fund performance and evaluation reports, work history, and historical data on prior capital improvements as part of the assessment of current and future capital improvement needs.
- 1.06 Apply the following guidelines in determining the appropriate number of units to be inspected.
  - 1.06.1 Non-Dwelling Facilities, Structures and Units –
    - 1.06.1.1 EMG shall survey 100% of non-dwelling facilities, structures and units (such as; Administration Buildings, Maintenance Areas, Community Spaces).
  - 1.06.2 Dwelling Units –
    - 1.06.2.1 For family and elderly housing developments consisting of 40 units or more, EMG shall survey 10% of the dwelling units, for housing



developments consisting of less than 40 units, the survey should be increased to a minimum of 50%.

- 1.06.2.2 EMG shall include each type of unit in the sample (i.e., one-, two-, and three-bedroom, etc.), each type of property system, and inspect typical unit types in typical buildings.
- 1.06.2.3 EMG shall survey those units which are more subject to architectural stress, such as:
  - a. ground floor units;
  - b. units underneath the roof;
  - c. units adjacent to elevator cores; and
  - d. units on the sides of the building that receive the most weathering.
- 1.07 EMG will report immediately any repair items that represent an immediate threat to health and safety in writing to designated HACoLA personnel.
- 1.08 EMG shall identify work necessary to return vacant units to occupied status.
- 1.09 EMG shall identify work necessary to ensure long-term viability and to comply with federal, state, and local requirements and codes. Specify physical work to be undertaken in major work categories; establish priorities among major work categories based on the relative urgency of need. Priority shall be given to (1) emergency conditions; (2) statutory or legally mandated requirements; (3) Section 504 needs assessment requirements; and (4) lead-based paint testing and abatement requirements.
- 1.10 EMG shall identify replacement needs of equipment, systems and structural elements that are likely to be needed within the next 20 years, assuming routine and timely maintenance is performed. Systems that is not unit-specific, such as; plumbing, electrical, HVAC, fire alarm systems, boilers, elevators, driveways, and roofs will require a 100% sample.
- 1.11 EMG shall identify work necessary to meet 504 accessibility standards.
- 1.12 EMG shall conduct a long-term viability and reasonable cost analysis for each property included in the physical needs assessment. This viability assessment will include a review of the physical needs and the reasonableness of their cost in light of those design characteristics, physical conditions, and other key factors that impact upon long-term viability of the properties. The analysis shall be conducted in accordance with industry standards and criteria, and in accordance with any such standards and criteria prescribed by the U.S. Department of Housing and Urban Development (HUD).

## **2.0 Work Products:**

- 2.01 At a minimum, the following Work Products are to be produced and provided to HACoLA:
  - 2.01.1 EMG shall complete data collection forms.

- 2.01.2 EMG will provide a detailed preliminary report in electronic format accessible by MS Word 2003 and/or MS Excel 2003, and in paper format, that includes an overview of the results of the physical needs assessments and viability assessments, and includes, at a minimum, the following:
  - 2.01.2.1 Separate reports for each property assessed in the format provided in Form HUD-52832, Physical Needs Assessment.
  - 2.01.2.2 A detailed narrative for each property, summarizing the approach, methodology and results of the physical needs assessment. This narrative shall describe the property's exterior and interior elements and conditions, including architectural and structural components and mechanical systems.
  - 2.02.2.3 A summary of the viability assessment for each property.

### **3.0 Project Schedule:**

- 3.01 EMG will provide a completion schedule of all inspections/data collection and analysis. All work shall be completed by October 30, 2008.
- 3.02 EMG shall provide a Submittal of Preliminary Physical Needs Assessment Report by November 7, 2008.
- 3.03 HACoLA will review the Preliminary report by November 14, 2008.
- 3.04 EMG will submit the Final Physical Needs Assessment Report by November 21, 2008.

# **ATTACHMENT B**

## **FEE SCHEDULE**

## **FEE SCHEDULE**

Clampett Industries, LLC d/b/a EMG ("EMG") will be paid in accordance with this Fee Schedule.

The total amount of compensation for the first year under this contract shall not exceed One Hundred Seventy Thousand and Nineteen Dollars (\$170,019.)

Progress Payments may be requested as follows:

- 10% \$17,001.90 at the commencement of the site visits
- 15% \$25,502.85 upon completion of all site evaluations
- 55% \$93,510.45 upon submission of draft reports
- 20% \$34,003.80 upon submission and acceptance of final reports.

Should this Contract continue into additional years (not to exceed four (4) years) a fixed-fee payment of \$7,500 will be paid to the Contractor for access to the AssetCALC Asset Management Database program.

- The annual charge includes: hosting, access and maintenance of the database including trouble shooting
- The base Asset CALC database include up to 4 gig of storage for photographs and electronic plans. This space will be populated by EMG and the Housing Authority.
- Each Additional 3 gigs of database space will be \$3,500.
- If the Housing Authority provides electronic copies of building/site plans there is no additional charge to include them in the electronic database.
- If EMG is responsible for scanning paper copies of the plans to create the electronic files there will be a \$2.50 per sheet scanning charge.

The Contractor shall be paid in accordance with the Housing Authority's standard accounts payable system.

The following conditions must be met to fulfill this Contract and ensure prompt payment.

- Contractor will furnish a service schedule.
- Contractor will submit by the 15<sup>th</sup> of each month all reports required according to Section 3 Reports.
- Contractor will submit a Housing Authority approved invoice for services rendered according to the Progress Payments Schedule and Fee Schedule, Attachment B to:

Housing Authority of the County of Los Angeles  
Housing Management Division  
Attn: Norma Nunez  
2 Coral Circle, Monterey Park, CA 91755

**ATTACHMENT C**

**REQUIRED CONTRACT  
FORMS**

## ATTACHMENT A

## HOUSING AUTHORITY COUNTY OF LOS ANGELES - CONVENTIONAL AND NON-CONVENTIONAL HOUSING

| GROUP NO. | SITE                                   | HUD DEV. NO. | PROJECT NUMBER              | ADDRESS  | NO. OF UNITS |
|-----------|--|--------------|-----------------------------|--|--------------|
| 1         | Carmelitos (family)                    | CA16P002001  | SS1102                      | 700 Via Wanda, Long Beach 90805  | 558          |
| 1         | Carmelitos (senior)                    | CA16P002026  | SS1102                      | 761 Via Carmelitos, Long Beach 90805   | 155          |
|           | <b>Total Unit Count: Carmelitos</b>    |              |                             |  | <b>713</b>   |
| 2         | Harbor Hills (family/senior)           | CA16P002002  | SS1203                      | 26607 S. Western Ave., Lomita 90717  | 301          |
|           | <b>Total Unit Count: Harbor Hills</b>  |              |                             |  | <b>301</b>   |
| 3         | Nueva Maravilla (family/senior)        | CA16P002004  | SS1301                      | 4919 E. Cesar E. Chavez Ave., Los Angeles 90022                                    | 504          |
|           | <b>Total Unit Count: N. Maravilla</b>  |              |                             |  | <b>504</b>   |
| 4         | West Knoll (senior)                    | CA16P002014  | SS3001                      | 838 West Knoll Ave., West Hollywood 90069  | 136          |
| 4         | Palm Apartments (senior)               | CA16P002014  | SS3002                      | 959 Palm Ave., West Hollywood 90069  | 127          |
|           | <b>Total Unit Count: West County 1</b> |              | <b>Admin Project XX0930</b> |  | <b>263</b>   |
| 5         | Marina Manor I (senior)                | CA16P002013  | SS3003                      | 3401 Via Dolce, Marina Del Rey 90292   | 112          |
| 5         | Marina Manor II (senior)               | CA16P002027  | SS3003                      | 3405 Via Dolce, Marina Del Rey 90292   | 71           |
| 5         | Ocean Park (family/senior)             | CA16P002018  | SS3006                      | 175 Ocean Park Boulevard, Santa Monica 90405                                       | 22           |
| 5         | Monica Manor (family)                  | CA16P002097  | SS3007                      | 1901-1909 11th Street, Santa Monica 90405  | 19           |
|           | <b>Total Unit Count: West County 2</b> |              | <b>Admin Project XX0935</b> |  | <b>224</b>   |
| 6         | Orchard Arms (senior)                  | CA16P002030  | SS2001                      | 23410-23540 Wiley Canyon Rd., Valencia 91355                                       | 183          |
| 6         | Foothill Villa (senior)                | CA16P002029  | SS2002                      | 2423 Foothill Boulevard, La Crescenta 91214  | 62           |
| 6         | Quartz Hill I (family)                 | CA16P002062  | SS2003                      | 5028 West Avenue L-12, Quartz Hill 93536   | 20           |
| 6         | Quartz Hill II (family)                | CA16P002069  | SS2003                      | 42051 51th Street West, Quartz Hill 93536  | 20           |
|           | <b>Total Unit Count: North County</b>  |              | <b>Admin Project XX0920</b> |  | <b>285</b>   |
| 7         | Francisquito Villa (family)            | CA16P002015  | SS4002                      | 14622 Francisquito Ave., La Puente 91746   | 89           |
| 7         | Carmelita Avenue (senior)              | CA16P002091  | SS4003                      | 354-354 So. Carmelita Ave., Los Angeles, 90063                                     | 2            |
| 7         | McBride Avenue (family)                | CA16P002021  | SS4004                      | 1229 So. McBride Ave., Los Angeles, 90023  | 4            |
| 7         | Williamson Avenue (family)             | CA16P002020  | SS4005                      | 706-708 1/2 So. Williamson Ave., Los Angeles, 90022                                | 4            |
| 7         | Triggs Street (family/senior)          | CA16P002097  | SS4006                      | 4432-4434 1/2 Triggs St., Los Angeles 90023  | 4            |
| 7         | Simmons Avenue (family)                | CA16P002021  | SS4007                      | 927 So. Simmons Ave., Los Angeles, 90022   | 4            |
| 7         | 4th & Mednick (family)                 | CA16P002034  | SS4009                      | 341 So. Mednick Ave., Los Angeles, 90022   | 2            |
| 7         | Arizona & Olympic (family)             | CA16P002048  | SS4010                      | 1003-1135 So. Arizona Ave., Los Angeles 90022                                      | 18           |
| 7         | Whittier Manor (senior)                | CA16P002033  | SS4011                      | 11527 Slauson Ave., Whittier 90606   | 49           |
| 7         | Herbert Ave (senior)                   | CA16P002058  | SS4012                      | 133 Herbert Ave., Los Angeles 90063  | 46           |
| 7         | Sundance Vista (family)                | CA16P002156  | SS4014                      | 10850 Laurel Ave., Whittier 90605  | 41           |
|           | <b>Total Unit Count: East County</b>   |              | <b>Admin Project XX0940</b> |  | <b>283</b>   |
| 8         | El Segundo I (family)                  | CA16P002023  | SS5001                      | 1928/37/49 E. El Segundo Blvd., Compton 90222                                      | 30           |
| 8         | South Bay Gardens (seniors)            | CA16P002032  | SS5002                      | 230 E. 130th St., Los Angeles 90061  | 100          |
| 8         | 1115-16 W. 90th St. (family)           | CA16P002091  | SS5005                      | 1115-16 W. 90th St., Los Angeles 90044   | 18           |
| 8         | El Segundo II (2140) (family)          | CA16P002052  | SS5015                      | 2140-2144 1/2 E. El Segundo Blvd., Compton 90222                                   | 13           |
| 8         | El Segundo II (2141) (family)          | CA16P002061  | SS5015                      | 2141-2145 E. El Segundo Blvd., Compton 90222                                       | 5            |
| 8         | 9104-16 S. Bandera St. (family)        | CA16P002080  | SS5016                      | 9104-16 S. Bandera St., Los Angeles, 90002   | 8            |
| 8         | 1535 E. 83rd Street (family)           | CA16P002080  | SS5017                      | 1535 E. 83rd St., Los Angeles 90002  | 2            |
| 8         | 1615-17 E. 87th Street (family)        | CA16P002067  | SS5018                      | 1615-17 E. 87th St., Los Angeles 90002   | 4            |
| 8         | 8739 Beach St. (88th & Beach) (family) | CA16P002056  | SS5019                      | 8739 Beach St., Los Angeles 90002  | 4            |
| 8         | 4212-20 E. Addington Street (family)   | CA16P002071  | SS5020                      | 4212-20 E. Addington St., Compton 90221  | 3            |
| 8         | W. Imperial (family)                   | CA16P002132  | SS5026                      | 1221 & 1309 E. Imperial Hwy., Los Angeles 90044                                    | 9            |
| 8         | Athens (family)                        | CA16P002127  | SS5027                      | 1120 W. 107th St., 1310 W. 110th St., & 11104 S. Normandie Ave., Los Angeles 90044 | 10           |
| 8         | 1527 E. 84th (family)                  | CA16P002107  | SS5029                      | 1527 E. 84th St., Los Angeles 90001  | 4            |
| 8         | Jarvis Avenue (family)                 | CA16P002107  | SS5030                      | 12920 Jarvis Ave., Los Angeles 90061   | 1            |
| 8         | Woodcrest I (family)                   | CA16P002066  | SS5003                      | 1239 W. 109th St., Los Angeles 90044   | 10           |
| 8         | Woodcrest II (family)                  | CA16P002090  | SS5003                      | 1245 W. 109th St., Los Angeles 90044   | 10           |
| 8         | 1101-09 W. 91st (family)               | CA16P002021  | SS5006                      | 1101-09 W. 91st St., Los Angeles 90044   | 16           |
| 8         | 1232-34 E. 119th (family)              | CA16P002021  | SS5007                      | 1232-34 E. 119th St., Los Angeles 90059  | 2            |
| 8         | 1231-33 E. 61st (family)               | CA16P002021  | SS5008                      | 1231-33 E. 61st St., Los Angeles 90001   | 6            |
| 8         | 1100 W. 106th Street (family)          | CA16P002021  | SS5009                      | 1100 W. 106th St., Los Angeles 90044   | 10           |
| 8         | 1104 W. 106th Street (family)          | CA16P002020  | SS5009                      | 1104 W. 106th St., Los Angeles 90044   | 10           |
| 8         | 1320 W. 107th (family)                 | CA16P002021  | SS5010                      | 1320 W. 107th St., Los Angeles 90044   | 18           |
| 8         | 11431-463 S. Normandie (family)        | CA16P002020  | SS5011                      | 11431-463 S. Normandie Ave., Los Angeles 90047                                     | 28           |
| 8         | 1027-33 W. 90th (family)               | CA16P002078  | SS5014                      | 1027-33 W. 90th St., Los Angeles 90044   | 6            |
| 8         | W. 106th Street & Budlong (family)     | CA16P002079  | SS5021                      | 1334-38 W. 106th St., 9410 & 11126 Budlong Ave., Los Angeles 90044                 | 11           |
| 8         | W. 94th & 95th Street (family)         | CA16P002060  | SS5022                      | 1035-37 1/2 W. 94th St. & 1324 W. 95th St., Los Angeles 90044                      | 8            |
| 8         | W. 105th & 106th (family)              | CA16P002124  | SS5024                      | 1336-40 W. 105th St. & 1057 W. 106th St., Los Angeles 90044                        | 13           |
| 8         | Century Wilton (family)                | CA16P002020  | SS5025                      | 10025 Wilton Place, Los Angeles 90047  | 40           |
| 8         | 11248 S. Budlong (family)              | CA16P002136  | SS5028                      | 11248 S. Budlong, Los Angeles 90044  | 6            |
| 8         | 1111th & Firmona                       | Pending      | SS5031                      | 11117 & 11119 Firmona Ave., Lennox 90304   | 2            |
| 8         | Lindsey                                | Pending      | SS5032                      | 4621 & 4625 Linsley St., Compton 90221   | 2            |
|           | <b>Total Unit Count: South County</b>  |              | <b>Admin Project XX0950</b> |  | <b>409</b>   |

|   |  |  |  |              |
|---|--|--|--|--------------|
| <b>Total Housing Authority-Owned - Conventional</b> |  |  |  | <b>2,962</b> |
|---|--|--|--|--------------|

|                               |                       |  |        |                                |    |
|-------------------------------|-----------------------|--|--------|--------------------------------|----|
| City of Lomita - Conventional | Lomita Manor (senior) |  | SS1204 | 24925 Walnut St., Lomita 90717 | 78 |
|-------------------------------|-----------------------|--|--------|--------------------------------|----|

|                                  |  |  |  |  |              |
|----------------------------------|--|--|--|--|--------------|
| <b>Total Number of Units- HM</b> |  |  |  |  | <b>3,040</b> |
|----------------------------------|--|--|--|--|--------------|

# Physical Needs Assessment

## Comprehensive Grant Program (CGP)

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0157  
(exp. 11/30/2008)

|   |                |                        |  |   |                                      |
|---|----------------|------------------------|--|---|--------------------------------------|
| HA Name   |                |                        |  | <input type="checkbox"/> Original<br><input type="checkbox"/> Revision Number _____ |                                      |
| Development Number  |                | Development Name       |  |   | DOFA Date<br>or<br>Construction Date |
| Development Type  | Occupancy Type | Structure Type         | Number of Buildings  | Number of Vacant Units  |                                      |
| Rental  | Family         | Detached/Semi-Detached | Current Bedroom Distribution<br>0 _____ 1 _____ 2 _____<br>3 _____ 4 _____ 5 _____<br>5+ _____ |   | Total Current Units                  |
| Turnkey III - Vacant  | Elderly        | Row                    |  |   |                                      |
| Turnkey III - Occupied  | Mixed          | Walk-Up                |  |   |                                      |
| Mutual Help   |                | Elevator               |  |   |                                      |
| Section 23, Bond Financed   |                |                        |  |   |                                      |
| General Description of Needed Physical Improvements                                   |                |                        |  |   | Urgency of Need (1-5)                |
| Total Preliminary Estimated Hard Cost for Needed Physical Improvements                |                |                        |  | \$ _____  |                                      |
| Per Unit Hard Cost  |                |                        |  | \$ _____  |                                      |
| Physical Improvements Will Result in Structural/System Soundness at a Reasonable Cost |                |                        |  | Yes <input type="checkbox"/> No <input type="checkbox"/>                            |                                      |
| Development Has Long-Term Physical and Social Viability                               |                |                        |  | Yes <input type="checkbox"/> No <input type="checkbox"/>                            |                                      |
| Date Assessment Prepared  |                |                        |  |   |                                      |
| Source(s) of Information  |                |                        |  |   |                                      |

Public reporting burden for this collection of information is estimated to average 35 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This collection of information requires that each eligible applicant submit comprehensive plan information to HUD every six years in order to receive its annual formula grant. This information will be used by HUD to determine whether the comprehensive plan/annual submission meets statutory and regulatory requirements for the annual formula grant. Responses to the collection are required by Section 14(e)(1)(A) and (C) of the U.S. Housing Act of 1937, as amended. The information requested does not lend itself to confidentiality.

## Instructions for Preparation of Form HUD-52832—Physical Needs Assessment

**Report Submission:** Prepare a separate form HUD-52832 for each development in the HA's inventory, which is eligible for Comprehensive Grant Program (CGP) funding, for all HA-wide nondwelling needs, e.g., maintenance equipment, and for any development needs. Submit these forms to HUD as part of the submission of the original Comprehensive Plan in the first year of participation in the CGP and every sixth year when a complete revision of the physical needs assessment is required. On an as-needed basis, submit a revised form where physical needs have significantly changed since the last needs assessment and the HA wishes to include these needs in the Five-Year Action Plan. Developments which are contiguous and treated as one development for management purposes may be grouped together on a single form.

### Heading Instructions:

**HA Name.** Enter the HA name.

**Original or Revision Number.** Self Explanatory. Every sixth year a new original is prepared.

**Development Number.** Enter an 11-digit alpha numeric code as follows: two-digit State code (alpha); two-digit Field Office code (numeric); P for Public Housing or B for Indian Housing; three-digit HA number (numeric); and three-digit development number (numeric). For example, VA05PO36001. In lieu of a development number, enter "HA-wide" for physical needs that are HA-wide in nature.

**DOFA Date.** Enter the Date of Full Availability (DOFA).

**Construction Date.** For acquired developments enter the actual date of construction or for scattered sites, the average date of construction of all buildings. **Note:** When the construction date is provided, this date will be used in lieu of the DOFA, subject to a 50-year cap.

**General Characteristics.** Check the appropriate box that describes the type of development, the type of occupancy, and the type of structure. CGP funds may be used to provide for modernization activities in Turnkey III units that are vacant or non-homebuyer occupied, or to provide for limited activities in homeowner-occupied units as long as the work is completed prior to conveyance.

If Turnkey III - Vacant is checked, indicate the number of vacant or non-homebuyer-occupied units planned for substantial rehabilitation next to the box and circle "V". By so doing, the HA indicates that: (1) the proposed modernization will result in bringing the identified units into full compliance with the homeownership objectives under the Turnkey III Program; and (2) the HA has homebuyers who both are eligible for homeownership, in accordance with the requirements of 24 CFR Part 904 for PHAs or 24 CFR Part 950, Subpart G, for IHAs, and have demonstrated their intent to be placed into the Turnkey III units proposed to be substantially rehabilitated.

If Turnkey III - Occupied is checked, indicate the number of Turnkey III units which are paid off, where work will be performed to meet statutory or regulatory requirements next to the box and circle "O".

**Number of Buildings.** Enter the number of buildings containing dwelling units.

**Current Bedroom Distribution.** Enter the current number of units for each bedroom size.

**Vacant Units.** Enter the number of vacant units as of the date this form is prepared and the percentage of vacant units to the total number of units in the development.

**Total Current Units.** Enter the number of units in this development under ACC.

### Column Instructions:

**General Description of Needed Physical Improvements.** Enter a general description of all unfunded physical improvements that must be undertaken

to bring the development (dwelling and nondwelling structures, dwelling and nondwelling equipment, and site) up to a level at least equal to the modernization and energy conservation standards and to comply with other program requirements. Also, include any replacements of equipment, systems and structural elements that will be needed, assuming routine and timely maintenance, within the next five years. Enter only physical improvements that are eligible for CGP funding. Do not enter any physical improvements already funded by CIAP or other sources which the HA plans to complete. However, enter physical improvements currently funded under CIAP where the HA plans to reprogram CIAP funds for other work under the CGP.

On a separate form, include any unfunded physical improvement needs for HA-wide nondwelling structures and equipment. Also, include any replacements/rehabilitation of nondwelling structures and equipment that will be needed, assuming routine and timely maintenance, within the next five years.

Describe the proposed improvements in broad categories, such as kitchens, bathrooms, roofs, electrical systems, heating systems, landscaping, nondwelling structures, lead-based paint abatement, physical accessibility, maintenance facility, computer hardware, etc. Include all broad categories of needed work without regard to the availability and/or source of funds.

If there are no current needs and the HA does not anticipate any replacement needs within the next five years, enter a statement to that effect in this section. Such a statement does not preclude the HA from amending the needs assessment at any time within the five-year period if unforeseen needs arise or from identifying new needs which have occurred when the needs assessment is revised every sixth year.

**Urgency of Need.** For each broad category of work identified under the General Description of Needed Physical Improvements, enter a number that corresponds to the urgency of the need on a HA-wide basis, with "1" reflecting the most urgent need and "5" reflecting the least urgent need. Assign a "1" to activities required to correct emergency conditions and to meet statutory or other legally mandated requirements, such as physical accessibility.

**Total Preliminary Estimated Hard Cost for Needed Physical Improvements.** Enter the total preliminary estimated hard cost for the broad work categories listed in the General Description of Needed Physical Improvements; excluding any management improvements, administration, architectural/engineering fees, relocation or other soft costs.

**Per Unit Hard Cost.** Divide the Total Preliminary Estimated Hard Cost for Needed Physical Improvements by the total number of current units in the development and enter the per unit hard cost.

**Physical Improvements Will Result in Structural/System Soundness at a Reasonable Cost.** Check Yes or No. For cost reasonableness, the preliminary estimate of hard costs for work proposed at the development shall be 90 percent or less of Total Development Cost (TDC).

**Development Has Long-Term Physical and Social Viability.** Check Yes or No as to whether the HA has determined that the development has long-term physical and social viability. **Note:** If No is checked, attach the viability analysis and an explanation of what actions are proposed regarding the nonviable development.

**Date Assessment Prepared.** Self-explanatory.

**Source(s) of Information.** Identify the source(s) of information used to develop the General Description of Needed Physical Improvements. Retain such information in HA files (1) as supporting documentation for the needs assessment, (2) for post-review by HUD, or (3) for submission to HUD upon request.



# Certification Regarding Debarment and Suspension

U.S. Department of Housing  
and Urban Development

## Certification A: Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions

1. The prospective primary participant certifies to the best of its knowledge and belief that its principals;

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal debarment or agency;

b. Have not within a three-year period preceding this proposal, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

### Instructions for Certification (A)

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of these regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines this eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph (6) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.

**Certification B: Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions**

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

**Instructions for Certification (B)**

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of these regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph (5) of these instructions, if a participant in a lower covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies including suspension and/or debarment.

Applicant

MATTHEW SMUNTER

Date

9/19/08

Signature of Authorized Certifying Official

Title

SR VP

# Certifications and Representations of Offerors Non-Construction Contract

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

ATTACHMENT D

\*Public reporting burden for this collection of information is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This form includes clauses required by OMB's common rule on bidding/offering procedures, implemented by HUD in 24 CFR 85.36, and those requirements set forth in Executive Order 11625 for small, minority, women-owned businesses, and certifications for independent price determination, and conflict of interest. The form is required for nonconstruction contracts awarded by Housing Agencies (HAs). The form is used by bidders/offers to certify to the HA's Contracting Officer for contract compliance. If the form were not used, HAs would be unable to enforce their contracts. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

## 1. Contingent Fee Representation and Agreement

(a) The bidder/offers represents and certifies as part of its bid/offer that, except for full-time bona fide employees working solely for the bidder/offers, the bidder/offers:

(1) ☐ has, ☒ has not employed or retained any person or company to solicit or obtain this contract; and

(2) ☐ has, ☒ has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) If the answer to either (a)(1) or (a) (2) above is affirmative, the bidder/offers shall make an immediate and full written disclosure to the PHA Contracting Officer.

(c) Any misrepresentation by the bidder/offers shall give the PHA the right to (1) terminate the resultant contract; (2) at its discretion, to deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the contract.

## 2. Small, Minority, Women-Owned Business Concern Representation

The bidder/offers represents and certifies as part of its bid/offer that it:

(a) ☐ is, ☒ is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.

(b) ☐ is, ☒ is not a women-owned small business concern. "Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

(c) ☐ is, ☒ is not a minority enterprise which, pursuant to Executive Order 11625, is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals.

For the purpose of this definition, minority group members are:

(Check the block applicable to you)

- |   |   |
|---|---|
| <input type="checkbox"/> Black Americans    | <input type="checkbox"/> Asian Pacific Americans  |
| <input type="checkbox"/> Hispanic Americans | <input type="checkbox"/> Asian Indian Americans   |
| <input type="checkbox"/> Native Americans   | <input type="checkbox"/> Hasidic Jewish Americans |

## 3. Certificate of Independent Price Determination

(a) The bidder/offers certifies that—

(1) The prices in this bid/offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder/offers or competitor relating to (i) those prices, (ii) the intention to submit a bid/offer, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this bid/offer have not been and will not be knowingly disclosed by the bidder/offers, directly or indirectly, to any other bidder/offers or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the bidder/offers to induce any other concern to submit or not to submit a bid/offer for the purpose of restricting competition.

(b) Each signature on the bid/offer is considered to be a certification by the signatory that the signatory:

(1) Is the person in the bidder/offers's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above (insert full name of person(s) in the bidder/offers's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder/offers's organization);

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the bidder/offeror deletes or modifies subparagraph (a)2 above, the bidder/offeror must furnish with its bid/offer a signed statement setting forth in detail the circumstances of the disclosure.

#### 4. Organizational Conflicts of Interest Certification

(a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under a proposed contract and a prospective contractor's organizational, financial, contractual or other interest are such that:

(i) Award of the contract may result in an unfair competitive advantage;

(ii) The Contractor's objectivity in performing the contract work may be impaired; or

(iii) That the Contractor has disclosed all relevant information and requested the HA to make a determination with respect to this Contract.

(b) The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the HA which shall include a description of the action which the Contractor has taken or intends to eliminate or neutralize the conflict. The HA may, however, terminate the Contract for the convenience of HA if it would be in the best interest of HA.

(c) In the event the Contractor was aware of an organizational conflict of interest before the award of this Contract and intentionally did not disclose the conflict to the HA, the HA may terminate the Contract for default.

(d) The Contractor shall require a disclosure or representation from subcontractors and consultants who may be in a position to influence the advice or assistance rendered to the HA and shall include any necessary provisions to eliminate or neutralize conflicts of interest in consultant agreements or subcontracts involving performance or work under this Contract.

#### 5. Authorized Negotiators (RFPs only)

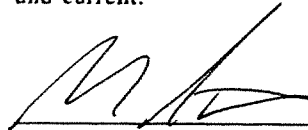
The offeror represents that the following persons are authorized to negotiate on its behalf with the PHA in connection with this request for proposals: (list names, titles, and telephone numbers of the authorized negotiators):

#### 6. Conflict of Interest

In the absence of any actual or apparent conflict, the offeror, by submission of a proposal, hereby warrants that to the best of its knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement, as described in the clause in this solicitation titled "Organizational Conflict of Interest."

#### 7. Offeror's Signature

The offeror hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.



Signature & Date:

MATTHEW S MUNGER

Typed or Printed Name:

Title:

SR VP

## FORM OF NON-COLLUSIVE AFFIDAVIT

State of: Maryland  
 County of: Baltimore

I Catherine B. Czajkowski, being first duly sworn, deposes and says that:

(1) ~~He~~ She is Senior Vice President of the firm, the offeror that has submitted the attached proposal;

(2) ~~He~~ She is fully informed respecting the preparation and contents of the attached proposal and of all pertinent circumstances respecting such proposal;

(3) Such proposal is genuine and is not a collusive or sham proposal;

(4) Neither the said offeror nor any of its officers, partners, owners, agents, or representatives, employees, or parties in interest, including this affiant, has in any colluded, conspired, connived, or agreed, directly or indirectly, with any other offeror, firm, or person to submit a collusive or sham proposal in connection with the contract for which the attached proposal has been submitted or to refrain from bidding in connection with such contract, or has in any manner, directly, or indirectly, sought by agreement or collusion or communication or conference with any other offeror or to secure through collusion, conspiracy, connivance or unlawful agreement any advantage against the Housing Authority of the City of Durham or any person interested in the proposed contract; and

(5) That the price or prices quoted in the attached proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the offeror or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

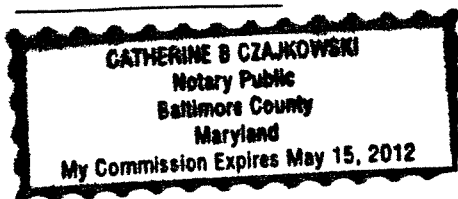
Signature of Offeror: [Signature]  
 Name and Title: MATTHEW S. MUNTER SR VP

Subscribed and sworn to, before me, this 19<sup>th</sup> day of September 2008.

By: Catherine B. Czajkowski

My commission expires: 5/15/2012

(NOTARY SEAL)



# Instructions to Offerors Non-Construction

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

ATTACHMENT F



- 03291 -

## 1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

## 2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

## 3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

## 4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

## 5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

(2) Have a satisfactory performance record;

(3) Have a satisfactory record of integrity and business ethics;

(4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and

(5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

## 6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

## 7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

## 8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

## 9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

# General Conditions for Non-Construction Contracts

## Section I – (With or without Maintenance Work)

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
Office of Labor Relations  
OMB Approval No. 2577-0157 (exp. 11/30/2008)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0180), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

**Applicability.** This form HUD-5370C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:

- 1) Non-construction contracts (*without* maintenance) greater than \$100,000 - use Section I;
- 2) Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$100,000 - use Section II; and
- 3) Maintenance contracts (including nonroutine maintenance), greater than \$100,000 - use Sections I and II.

### Section I - Clauses for All Non-Construction Contracts greater than \$100,000

#### 1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban Development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

#### 2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a proposal submitted before final payment of the contract.
- (d) Failure to agree to any adjustment shall be a dispute under

clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

- (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

#### 3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

#### 4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.
- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.



- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
- (i) appeals under the clause titled Disputes;
  - (ii) litigation or settlement of claims arising from the performance of this contract; or,
  - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

**5. Rights in Data (Ownership and Proprietary Interest)**

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

**6. Energy Efficiency**

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

**7. Disputes**

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach thereof which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

**8. Contract Termination; Debarment**

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of

participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

**9. Assignment of Contract**

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

**10. Certificate and Release**

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

**11. Organizational Conflicts of Interest**

- (a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under this contract and a contractor's organizational, financial, contractual or other interests are such that:
  - (i) Award of the contract may result in an unfair competitive advantage; or
  - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the HA.
- (c) In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Contracting Officer, the HA may terminate the contract for default.
- (d) The terms of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

**12. Inspection and Acceptance**

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required

corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

### 13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

### 14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

### 15. Limitation on Payments to Influence Certain Federal Transactions

- (a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a

local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

- (b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- (ii) The prohibition does not apply as follows:

- (1) Agency and legislative liaison by Own Employees.

- (a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.
- (b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.
- (c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:
- (1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,
  - (2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:
- (1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;
  - (2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and
  - (3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.
- (e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.
- (2) Professional and technical services.
- (a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-
- (i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.
  - (ii) Any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.
- (b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.
- (c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.
- (d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.
- (iii) Selling activities by independent sales representatives.
- (c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:
- (i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and
  - (ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.
- (d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.
- (e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.
- (f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

## 16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such

direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

#### 17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

#### 18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

#### 19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

#### 20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

#### 21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135) (Applicable to contracts in excess of \$500,000)

- (a) The work to be performed under this contract is on a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of section 3 of the HUD Act of 1968, as amended, 12 U.S.C. 1701 u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.
- (b) The parties to this contract will comply with the provisions of Section 3 and the regulations issued pursuant thereto by the Secretary of HUD set forth in 24 CFR part 135, and all applicable rules and orders of HUD issued there under prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- (c) The contractor will send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding, if any, a notice advising the organization of the contractor's commitments under this clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

- 
- (d) The contractor will include this clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of HUD, 24 CFR part 135. The contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of these regulations and will not award any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
- (e) Compliance with the provisions of section 3, the regulations set forth at 24 CFR part 135, and all applicable rules and orders of HUD issued there under prior to the execution of the contract shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or contract through which the Federal assistance is provided, and to such sanctions as are specified by 24 CFR part 135.

# Certification for a Drug-Free Workplace

U.S. Department of Housing  
and Urban Development

Applicant Name

CLAMPETT INDUSTRIES LLC dba EMG

Program/Activity Receiving Federal Grant Funding

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

(1) The dangers of drug abuse in the workplace;

(2) The Applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here ☐ if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.  
Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.  
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

MATTHEW S MONTER

Title

SR VP

Signature

Date

9/19/08

X

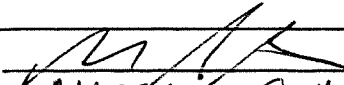
## DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB

0348-0046

(See reverse for public burden disclosure.)

|  |  |  |
|--|--|--|
| <b>1. Type of Federal Action:</b><br><input checked="checked" type="checkbox"/> a. contract<br><input type="checkbox"/> b. grant<br><input type="checkbox"/> c. cooperative agreement<br><input type="checkbox"/> d. loan<br><input type="checkbox"/> e. loan guarantee<br><input type="checkbox"/> f. loan insurance  | <b>2. Status of Federal Action:</b><br><input checked="checked" type="checkbox"/> a. bid/offer/application<br><input type="checkbox"/> b. initial award<br><input type="checkbox"/> c. post-award    | <b>3. Report Type:</b><br><input checked="checked" type="checkbox"/> a. initial filing<br><input type="checkbox"/> b. material change<br><b>For Material Change Only:</b><br>year _____ quarter _____<br>date of last report _____ |
| <b>4. Name and Address of Reporting Entity:</b><br><input checked="checked" type="checkbox"/> Prime <input type="checkbox"/> Subawardee<br>Clampt Industries, Inc. Tier _____, if known:<br>dba EMG<br>11011 McCormick Rd<br>Hunt Valley MD 21031<br>Congressional District, if known: 4c  | <b>5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:</b><br><br>Congressional District, if known:  |  |
| <b>6. Federal Department/Agency:</b>   | <b>7. Federal Program Name/Description:</b><br><br>CFDA Number, if applicable: _____   |  |
| <b>8. Federal Action Number, if known:</b>   | <b>9. Award Amount, if known:</b><br>\$  |  |
| <b>10. a. Name and Address of Lobbying Registrant</b><br>(if individual, last name, first name, MI):   | <b>b. Individuals Performing Services (including address if different from No. 10a)</b><br>(last name, first name, MI):  |  |
| <b>11.</b> Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. | Signature: <br>Print Name: MATTHEW S. HUNTER<br>Title: SR VP<br>Telephone No.: 800-733-0660 x 2709 Date: 9/19/08 |  |
| <b>Federal Use Only:</b>   |  | Authorized for Local Reproduction<br>Standard Form LLL (Rev. 7-97)   |

## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.  
  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.



**Certification of Payments  
to Influence Federal Transactions**

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing

ATTACHMENT J

CLAMPETT INDUSTRIES LLC dba EME  
Applicant Name

Program/Activity Receiving Federal Grant Funding

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.


(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.  
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

|   |                   |
|---|-------------------|
| Name of Authorized Official   | Title             |
| MATTHEW S. MUNTER   | SR VP             |
| Signature   | Date (mm/dd/yyyy) |
|  | 9/19/08           |

**ACORD****CERTIFICATE OF LIABILITY INSURANCE**OP ID#H  
EMGHO-1DATE (MM/DD/YYYY)  
09/17/08

## PRODUCER

InterContinental Ins Brks, LLC  
175 Federal Street, Suite 725  
Boston MA 02110-2202  
Phone: 617-443-1992 Fax: 617-423-7853

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION  
ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE  
HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR  
ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

## INSURED

Clampett Industries, LLC dba  
EMG; Environmental Management  
Group, Inc.  
11011 McCormick Road  
Hunt Valley MD 21031

## INSURERS AFFORDING COVERAGE

## NAIC #

INSURER A: Zurich-American Ins. Group

INSURER B: Steadfast Insurance Company

INSURER C:

INSURER D:

INSURER E:

26387

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING  
ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR  
MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH  
POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR<br>LTR | ADD'L<br>INSRD | TYPE OF INSURANCE  | POLICY NUMBER | POLICY EFFECTIVE<br>DATE (MM/DD/YY) | POLICY EXPIRATION<br>DATE (MM/DD/YY) | LIMITS                                       |
|-------------|----------------|--|---------------|-------------------------------------|--------------------------------------|--|
| A           |                | GENERAL LIABILITY  | GLO921398103  | 09/13/08                            | 09/13/09                             | EACH OCCURRENCE                              |
|             |                | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY               |               |                                     |                                      | DAMAGE TO RENTED<br>PREMISES (Ea occurrence) |
|             |                | <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR |               |                                     |                                      | \$ 1,000,000                                 |
|             |                |  |               |                                     |                                      | \$ 100,000                                   |
|             |                |  |               |                                     |                                      | MED EXP (Any one person)                     |
|             |                |  |               |                                     |                                      | \$ 5,000                                     |
| B           |                | AUTOMOBILE LIABILITY   | BAP915948201  | 09/13/08                            | 09/13/09                             | PERSONAL & ADV INJURY                        |
|             |                | <input type="checkbox"/> ANY AUTO  |               |                                     |                                      | \$ 1,000,000                                 |
|             |                | <input type="checkbox"/> ALL OWNED AUTOS                                       |               |                                     |                                      | GENERAL AGGREGATE                            |
|             |                | <input type="checkbox"/> SCHEDULED AUTOS                                       |               |                                     |                                      | \$ 2,000,000                                 |
|             |                | <input checked="" type="checkbox"/> HIRED AUTOS                                |               |                                     |                                      | PRODUCTS - COMPIOP AGG                       |
|             |                | <input checked="" type="checkbox"/> NON-OWNED AUTOS                            |               |                                     |                                      | \$ 2,000,000                                 |
|             |                | GARAGE LIABILITY   |               |                                     |                                      | BI PD Ded                                    |
|             |                | <input type="checkbox"/> ANY AUTO  |               |                                     |                                      | 5,000  |
|             |                |  |               |                                     |                                      | COMBINED SINGLE LIMIT<br>(Ea accident)       |
|             |                |  |               |                                     |                                      | \$ 1,000,000                                 |
|             |                |  |               |                                     |                                      | BODILY INJURY<br>(Per person)                |
|             |                |  |               |                                     |                                      | \$   |
|             |                | EXCESS/UMBRELLA LIABILITY  |               |                                     |                                      | BODILY INJURY<br>(Per accident)              |
|             |                | <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE            |               |                                     |                                      | \$   |
|             |                |  |               |                                     |                                      | PROPERTY DAMAGE<br>(Per accident)            |
|             |                |  |               |                                     |                                      | \$   |
|             |                |  |               |                                     |                                      | AUTO ONLY - EA ACCIDENT                      |
|             |                |  |               |                                     |                                      | \$   |
| A           |                | WORKERS COMPENSATION AND<br>EMPLOYERS' LIABILITY                               | WC921397803   | 09/13/08                            | 09/13/09                             | OTHER THAN<br>AUTO ONLY: AGG                 |
|             |                | ANY PROPRIETOR/PARTNER/EXECUTIVE<br>OFFICER/MEMBER EXCLUDED?                   |               |                                     |                                      | \$   |
|             |                | If yes, describe under<br>SPECIAL PROVISIONS below                             |               |                                     |                                      | EACH OCCURRENCE                              |
|             |                |  |               |                                     |                                      | \$   |
|             |                |  |               |                                     |                                      | AGGREGATE                                    |
|             |                |  |               |                                     |                                      | \$   |
| B           |                | OTHER  | PEC921397603  | 09/13/08                            | 09/13/09                             |  |
|             |                | Professional Liab  |               |                                     |                                      |  |
|             |                | Contractor's Poll  |               |                                     |                                      |  |
|             |                |  |               |                                     |                                      |  |
|             |                |  |               |                                     |                                      |  |
|             |                |  |               |                                     |                                      |  |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Physical Needs Assessment for 56 Housing Developments. See 2nd page for  
additional insured.

## CERTIFICATE HOLDER

HOUS008

Housing Authority Of The  
County Of Los Angeles  
2 Coral Circle  
Monterey Park CA 91755

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION

DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL

30 DAYS WRITTEN

NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL

IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR

REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

# NOTEPAD:

INSURED'S NAME Clampett Industries, LLC dba

EMGHO-1

PAGE 2

OP IDDH

DATE 09/17/08

The Housing Authority of the County of Los Angeles ("Housing Authority"), the Community Development Commission of the County of Los Angeles, The County of Los Angeles ("County"), and their officials and employees, shall be covered as insured with respect to: liability arising out of activities performed by or on behalf of the Contractor; products and completed operations of the Contractor; premises owned, leased or used by the Contractor with respects to general liability as required by written contract.

The Community Development Commission of the County of Los Angeles, the Housing Authority, the county and each of their elected and appointed officers, officials, representatives, employees, and agent shall be named as additional insureds on general liability as required by written contract.

**ATTACHMENT D**

**REQUIRED CONTRACT  
NOTICES**

## **BACKGROUND AND RESOURCES: CALIFORNIA CHARITIES REGULATION**

There is a keen public interest in preventing misuse of charitable contributions. California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates those raising and receiving charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) tightened Charitable Purposes Act requirements for charitable organization administration and fundraising.

The Charitable Purposes Act rules cover California public benefit corporations, unincorporated associations, and trustee entities. They may include similar foreign corporations doing business or holding property in California. Generally, an organization is subject to the registration and reporting requirements of the Charitable Purposes Act if it is a California nonprofit public benefit corporation or is tax exempt under Internal Revenue Code § 501(c)(3), and not exempt from reporting under Government Code § 12583. Most educational institutions, hospitals, cemeteries, and religious organizations are exempt from Supervision of Trustees Act requirements.

Key new Charitable Purposes Act requirements affect executive compensation, fundraising practices and documentation. Charities with over \$2 million of revenues (excluding grants and service-contract funds a governmental entity requires to be accounted for) have new audit requirements. Charities required to have audits must also establish an audit committee whose members have no material financial interest in any entity doing business with the charity.

Organizations or persons that receive or raise charitable contributions are likely to be subject to the Charitable Purposes Act. A bidder/proposer on Commission and/or Housing Authority contracts must determine if it is subject to the Charitable Purposes Act and certify either that:

- It is not presently subject to the Act, but will comply if later activities make it subject, or,
- If subject, it is currently in compliance.

### **RESOURCES**

The following resource references are offered to assist bidders/proposers who engage in charitable contributions activities, however, each bidder/proposer is responsible to research and determine its own legal obligations and properly complete the Charitable Contributions Certification form.

In California, supervision of charities is the responsibility of the Attorney General, whose website, <http://caag.state.ca.us/>, contains much information helpful to regulated charitable organizations.

#### **1. LAWS AFFECTING NONPROFITS**

The "Supervision of Trustees and Fundraisers for Charitable Purposes Act" is found at California Government Code §§ 12580 through 12599.7. Implementing regulations are found at Title 11, California Code of Regulations, §§ 300 through 312. In California, charitable solicitations ("advertising") are governed by Business & Professions Code §§ 17510 through 17510.95. Regulation of nonprofit corporations is found at Title 11, California Code of Regulations, §§ 999.1 through 999.5. (Amended regulations are pending.) Links to all of these rules are at: <http://caag.state.ca.us/charities/statutes.htm>.

#### **2. SUPPORT FOR NONPROFIT ORGANIZATIONS**

Several organizations offer both complimentary and fee-based assistance to nonprofits, including in Los Angeles, the *Center for Nonprofit Management*, 606 S. Olive St #2450, Los Angeles, CA 90014 (213) 623-7080 <http://www.cnmsocal.org/>, and statewide, the *California Association of Nonprofits*, <http://www.canonprofits.org/>. Both organizations' websites offer information about how to establish and manage a charitable organization.

**The above information, including the organizations listed, is for informational purposes only. Nothing contained in this sub-section shall be construed as an endorsement by the Commission of such organizations.**



Department of the Treasury  
Internal Revenue Service

## Notice 1015

(Rev. December 2004)

### Have You Told Your Employees About the Earned Income Credit (EIC)?

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#### What Is the EIC?

The EIC is a refundable tax credit for certain workers.

**What's New.** Workers cannot claim the EIC if their 2004 investment income (such as interest and dividends) is over \$2,650.

#### Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whom you did not withhold income tax. However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

**Note.** You are encouraged to notify each employee whose wages for 2004 are less than \$35,458 that he or she may be eligible for the EIC.

#### How and When Must I Notify My Employees?

You must give the employee one of the following:

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you are required to give Form W-2 and do so on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If a substitute Form W-2 is given on time but does not have the required information, you must notify the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2005.

You must hand the notice directly to the employee or send it by First-Class Mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can get copies of the notice by calling 1-800-829-3676, or from the IRS website at [www.irs.gov](http://www.irs.gov).

#### How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see the 2004 instructions for Form 1040, 1040A, 1040EZ, or Pub. 596, Earned Income Credit (EIC).

#### How Do My Employees Claim the EIC?

Eligible employees claim the EIC on their 2004 tax return. Even employees who have no tax withheld from their pay or owe no tax can claim the EIC and get a refund, but they must file a tax return to do so. For example, if an employee has no tax withheld in 2004 and owes no tax but is eligible for a credit of \$791, he or she must file a 2004 tax return to get the \$791 refund.

#### How Do My Employees Get Advance EIC Payments?

Eligible employees who expect to have a qualifying child for 2005 can get part of the credit with their pay during the year by giving you a completed Form W-5, Earned Income Credit Advance Payment Certificate. You must include advance EIC payments with wages paid to these employees, but the payments are not wages and are not subject to payroll taxes. Generally, the payments are made from withheld income, social security, and Medicare taxes. For details, see Pub. 15 (Circular E), Employer's Tax Guide.

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**Notice 1015**  
(Rev. 12-2004)

# **No shame.**

# **No blame.**

# **No names.**

**Newborns can be safely given up  
at any Los Angeles County  
hospital emergency room or fire station.**



**In Los Angeles County:**

**1-877-BABY SAFE**

**1-877-222-9723**

**[www.babysafela.org](http://www.babysafela.org)**



**State of California**  
Gray Davis, Governor

**Health and Human Services Agency**  
Grantland Johnson, Secretary

**Department of Social Services**  
Rita Saenz, Director



**Los Angeles County Board of Supervisors**

Gloria Molina, Supervisor, First District

Yvonne Brathwaite Burke, Supervisor, Second District

Zev Yaroslavsky, Supervisor, Third District

Don Knabe, Supervisor, Fourth District

Michael D. Antonovich, Supervisor, Fifth District

This initiative is also supported by First 5 LA and INFO LINE of Los Angeles.

### What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn without fear of arrest or prosecution.

### How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially and safely give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, workers will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent.

### What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

### Can only a parent bring in the baby?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

### Does the parent have to call before bringing in the baby?

No. A parent can bring in a baby anytime, 24 hours a day, 7 days a week so long as the parent gives the baby to someone who works at the hospital or fire station.

### Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

### What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

### What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

### Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

### A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

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**Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.**

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***It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.***



# **Sin pena. Sin culpa. Sin peligro.**

**Los recién nacidos pueden ser entregados  
en forma segura en la sala de emergencia de  
cualquier hospital o en un cuartel de bomberos  
del Condado de Los Angeles.**



**En el Condado de Los Angeles:**

**1-877-BABY SAFE**

**1-877-222-9723**

**[www.babysafela.org](http://www.babysafela.org)**



**Estado de California**  
Gray Davis, Gobernador

**Agencia de Salud y Servicios Humanos**  
(Health and Human Services Agency)  
Grantland Johnson, Secretario

**Departamento de Servicios Sociales**  
(Department of Social Services)  
Rita Saenz, Directora



**Consejo de Supervisores del Condado de Los Angeles**

Gloria Molina, Supervisora, Primer Distrito

Yvonne Brathwaite Burke, Supervisora, Segundo Distrito

Zev Yaroslavsky, Supervisor, Tercer Distrito

Don Knabe, Supervisor, Cuarto Distrito

Michael D. Antonovich, Supervisor, Quinto Distrito

Esta Iniciativa tambien esta apollada por First 5 LA y INFO LINE de Los Angeles.

### **¿Qué es la Ley de Entrega de Bebés Sin Peligro?**

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

### **¿Cómo funciona?**

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura, dentro de los tres días del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre recibirá un brazalete igual.

### **¿Qué pasa si el padre/madre desea recuperar a su bebé?**

Los padres que cambien de opinión pueden empezar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles, al 1-800-540-4000.

### **¿Sólo los padres podrán llevar al recién nacido?**

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

### **¿Los padres deben llamar antes de llevar al bebé?**

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

### **¿Es necesario que el padre/madre diga algo a las personas que reciben al bebé?**

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

### **¿Qué ocurrirá con el bebé?**

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

### **¿Qué pasará con el padre/madre?**

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

### **¿Por qué California hace esto?**

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

### **Historia de un bebé**

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

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**Cada recién nacido merece una oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele qué otras opciones tiene.**

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***Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.***